

BELL ATLANTIC-MAINE
Notice of Merger with GTE
Corporation

SERVICE QUALITY
ASSURANCE PLAN

INTRODUCTION

In an Order on Reconsideration, dated August 25, 1999, the Commission dismissed as insufficient the claims of opponents of the merger of Bell Atlantic Corporation (“Bell Atlantic”) and GTE Corporation (“GTE”) that Maine-specific impacts from the merger warranted rejection of the merger. The Commission, however, declined to approve the merger, noting its recent concerns with BA-ME’s performance in service provisioning and service quality. The Commission questioned whether recent incidents involving BA-ME’s service installations, network congestion and overall response time and efficacy of repairs might somehow be attributable to a lack in management focus brought about by the merger of NYNEX and Bell Atlantic in 1997. If this were true, the Commission reasoned that:

“[t]o the extent BA-ME’s small size already makes it difficult for BA-ME to ‘get the attention’ of the Bell Atlantic managers responsible for ensuring service quality, a merger with GTE could in theory exacerbate the problem, because the relative size of BA-ME would diminish in the much larger corporate organization consisting of the merged Bell Atlantic and GTE.”

(Order on Reconsideration at 3). The Commission, therefore, declined to approve the merger at this time absent assurances from Bell Atlantic that the merger will not jeopardize Maine ratepayers’ rights to acceptable levels of telephone service.

The Commission offered BA-ME an opportunity to provide these assurances by addressing the recent service-related problems customers in Maine have experienced. BA-ME’s plan for service improvements, the Commission said, should ensure that:

- installation and repair appointments are scheduled without undue delay and that such appointments will be met;
- customers will be notified in advance if scheduled appointments cannot be met;
- appointments to install services not be scheduled unless BA-ME knows that sufficient facilities exist to serve the customer;
- BA-ME has the capability to quickly diagnose and repair calling anomalies;

- BA-ME's automated service order processing systems do not generate incorrect services, installations or repairs;
- when a serious service problem occurs, BA-ME will provide on short notice qualified personnel to discuss with the Commission the reasons for the problem and the steps necessary to correct the problem; and
- network components such as switches, line units, switch module links, umbilicals and trunks will not become overloaded.

(August 25 Order on Reconsideration at 3-4). The Commission directed further that the plan also assure the Commission of prompt action by Company officials empowered to authorize remedial measures in the event of future service problems.

BA-ME recognizes the importance of maintaining and improving the quality of the network in Maine. BA-ME also acknowledges episodic failures in the recent past in BA-ME's obligation to deliver the high quality of telephone service demanded by its customers and expected by the Commission.

As described below and in BA-ME's September 20 Report on network congestion in Docket No. 99-132, BA-ME has taken a number of positive steps to correct past service inadequacies and to prevent a recurrence of service problems in the future. Among other things, BA-ME has reexamined its management structure to identify opportunities to sharpen the focus on service quality. Towards that end, BA-ME has created a new position in its Maine-based leadership team responsible directly to the State President for the oversight of all aspects of service quality, including: planning, construction, operations, administration, provisioning and repair and *solely* for the State of Maine. This new position will also serve as service *ombudsman*, providing both BA-ME's State President and the Commission with immediate and informed access regarding current conditions of the network in Maine.

BA-ME also commits its Maine-based operations management team (consisting of the State President, the newly-created operations oversight manager, the Director of Capital Construction and the Area Operations manager) to conducting bi-monthly briefings with the Commission and its Staff on all aspects of service quality. These scheduled meetings will provide an opportunity for a recurring exchange of information and ongoing dialogue on issues of investment, technology deployment, new service introduction, installation and repair activity and overall performance of the network.

Set forth below are the details of BA-ME's proposal for addressing each of the concerns identified by the Commission. Included as an Attachment to this filing is an express affirmation of the various

service commitments described herein. Based on BA-ME's renewed focus and commitment to service, the Commission should conclude promptly that ratepayers' interest in service quality will not be adversely affected by the merger and that the merger thus satisfies the public interest requirements of Section 708.

POINT 1 BA-ME'S SERVICE ASSURANCE PLAN ADDRESSES THE COMMISSION'S CONCERNS REGARDING PAST AND FUTURE SERVICE QUALITY

A. Scheduling and Adherence to Service Installation and Repair Appointments

Bell Atlantic's overall service objective for the installation of telephone service where network facilities presently exist is to provide service within five days of the request. BA-ME's objective response time for service repairs is to clear reported troubles and return a customer to service within twenty four hours of receipt of a trouble report. These service objectives have been in place in BA-ME for some time.

Both of these service objectives are measured, either directly or indirectly, by the Service Quality Index of the AFOR.¹ Should BA-ME's actual performance in installation and repairs fail to attain historical levels established by the AFOR, BA-ME is liable in the worst case to combined rebates under the SQI related to these performance measurements of as much as \$9 million annually. Where service slips below the SQI baseline, BA-ME is also required by the AFOR to print on customers' bills a written acknowledgement of poor performance. Both the financial penalty and the public acknowledgement of service failures serve as a powerful inducement for BA-ME to maintain service at acceptable levels.

During the most recent summer, however, BA-ME's performance in the area of installation and repair slipped badly from objective levels. In an effort to improve the delivery of installation and repair services, Bell Atlantic studied and reorganized major components of the work activity in the area of installation and repair and restructured its work force along customer market segments. In short, all BA-ME technicians involved in repair and installation activity were restructured and re-deployed along Consumer, Business and Enterprise (*i.e.*, large business) lines-of-business. A fourth group, Network

¹ The number of customer trouble reports per 100 lines is measured directly and tracked under the SQI. The percentage of trouble reports that BA-ME fails to clear within 24 hours is measured separately for Business and Residence subscribers. Performance below the baseline exposes BA-ME to separate penalties for each category of up to \$1 million. Missed service appointments are also measured annually, with performance below the benchmark subject to an additional \$ 1 million rebate. Unacceptable delays in the installation of services are reflected in two separate indices: both in the measurement of average held order days and; in the customer satisfaction surveys dealing with provisioning and with repair service.

Provisioning and Maintenance, was created to support those common portions of the network utilized by all lines of business. While the object of the restructuring was to enhance service delivery, implementation problems arose which quickly compromised BA-ME's ability to keep pace with the work load.

The strategy behind the new procedures was to re-align the skills, experience and proficiencies of the work force along discrete customer market segments.² This was *not* a random, cost-cutting measure on Bell Atlantic's part, intended to enhance earnings at the expense of service quality. No company work centers were eliminated in the restructuring and total work force in Maine was not reduced.

Nor was the planned restructuring of the delivery of installation and repair service a product of management indifference or inattention to service quality. To the contrary, the restructuring was conceived, developed, implemented and monitored closely by the highest levels of Bell Atlantic's senior management. Simply stated, while the realignment of technicians along customer lines of business was meant to improve the delivery of service within each market segment, unforeseen difficulties in implementation were not resolved prior to deployment; certain aspects of the restructuring were not properly captured in the planning of the restructuring; technicians experienced a greater than anticipated loss in productivity due to lack of familiarity with the new procedures; and critical changes to BA-ME's mechanized systems for the delivery of service were not entirely captured. The result: service intervals for installation and repair grew to unacceptable levels.

Within days of the program's implementation, problems in the restructuring were observed and remedial changes made. The work force was augmented and reassigned geographically to address problem areas. Unfortunately, once response times had grown to excessive levels, BA-ME's recovery efforts under the re-aligned procedures were unsuccessful. The implementation of the re-alignment was thereafter immediately suspended and the work force was put back to the pre-implementation structure. Within a few weeks the delays were eliminated and service returned to normal.

As demonstrated by the most recent actual service quality results, BA-ME's performance in the scheduling and delivery of installation and repair service has returned to objective levels. In the SQI

² Due to rapid changes in the industry there is no longer a "one size fits all" approach to installing and maintaining telephone service for all customers. The telecommunications needs of large business customers, for example, differ dramatically from a traditional residential subscriber's desire for a telephone set in the living room.

category measuring the percentage of installation appointments missed, for example, although results in June and July rose to 3.06 and 4.30, respectively, reported results for August (1.48) and September (1.16) have fallen back significantly below the SQI baseline objective of 1.65. A similar improving trend is evident in the percentage of business and residence trouble reports not cleared within twenty four hours. The baseline objective under the SQI is 21.1 for residence trouble reports and 9.0 for business. In June and July the residence percentage report rates not cleared were 26.7 and 27.8, respectively. In August and September, the results improved dramatically, falling below the baseline to 17.8 and 19.4, respectively. For business trouble reports, the percentage of reports not cleared during June and July climbed as high as 18.2 (nearly twice the baseline objective), but by September has dropped far below the objective measure to a 5.4.

Accordingly, the combination of BA-ME's renewed commitment to service objectives (*i.e.*, meeting installation requests within five days and clearing reported trouble within 24 hours), coupled with the enforcement and penalty provisions of the SQI demonstrate that existing controls for assuring and self-correcting service quality in this area are working. The incidents this past summer related to the restructuring of the work force were entirely aberrational and are not indicative of management inattention or neglect. Nothing in Bell Atlantic's acquisition of GTE alters either BA-ME's commitment to service quality or the Commission's self-enforcing SQI mechanism for ensuring adherence to these service quality objectives.

B. Customer Notification if Appointments Must be Missed

Established procedures presently exist at BA-ME for keeping customers apprised of any need for changes in the scheduled delivery dates of service installation or repairs. In negotiating the scheduled due date for both repair and installation activity, BA-ME routinely obtains a reach telephone number from the customer and all technicians receive written instructions and training on contacting the customer to advise of unforeseen delays in meeting scheduled service appointments.

BA-ME's Customer Contact Procedures address five principal responsibilities for technicians involved in both installation and repair activity:

1. field technicians must call the customer prior to arriving (and call again if the technician has been delayed);

2. field technicians must visit with the customer and review the service order prior to initiating work at the premises;
3. technicians must keep the customer advised periodically during the service visit;
4. technicians must review all completed work with the customer before leaving. Where work is not completed, technicians will advise the customer and attempt to negotiate a convenient time for the necessary follow-up visit; and
5. technicians must call to follow up each completed appointment to inquire whether the customer is satisfied and that the service is working properly.

BA-ME's technicians are trained to adhere to these principles, must document their compliance with these principles and are periodically audited for their compliance, and disciplinary procedures, including loss of pay or termination, can be assessed for non-compliance. Customers are also provided with a telephone number for initiating contact with BA-ME to check on the status of their service request.

During the past summer, however, due to the work force realignment discussed above, the process for keeping customers informed of delays in rendering service was not followed in all cases. Due to extensive delays in certain areas in installation and repair service, technicians were unable to follow established procedures for notifying customers of unanticipated delays and the need to reschedule service appointments. When the level of delays grew, the Customer Care Centers handling customer service inquiries reached capacity constraints. Customers then called the Business Office, which had no access to the information necessary to advise customers of the job status of a repair or installation, and the Business Office's attempts to reach the Customer Care Centers for this information were initially no more successful than the customers'.

Here again, the principal contributing factor to problems in this area was the implementation of the work force restructure described above, not management indifference or inattention. With the suspension of the work force realignment, BA-ME has returned to its traditional practices. The Five Points of Customer Contact remain BA-ME's commitment to keeping customers fully apprised of the status of the their installation or repair requests. In addition, with a decline in missed appointments customers no longer encounter delays in contacting the Customer Care Center for information on the status of their service request. These procedures, long in place, work to keep customers reasonably apprised of the status of their service request.

Nothing in the merger of Bell Atlantic with GTE alters BA-ME's commitment to the Five Points. BA-ME continuously reinforces training in this area. BA-ME reaffirms these customer communication principles and will not alter them as a consequence of the merger.

C. Verifying Availability of Needed Facilities Prior to Installation

During the implementation of the work force realignment last summer, one unanticipated contributing factor to missed installation appointments was a lack of available facilities which went undetected until the due date. The problem occurred more frequently than anticipated due to a lack of coordination between the Network Provisioning and Maintenance group and the installation technicians. As a consequence, a higher number than usual of scheduled appointments were missed when the installation technician could not access facilities on the due date necessary to complete the installation.

The difficulties BA-ME experienced in this area were entirely aberrational, however, and were attributable to the work force realignment. BA-ME routinely completes 99.3% of all service orders with no difficulty in obtaining necessary facilities. Stated differently, in less than one service request in a hundred does BA-ME miss the due date because of an inability to obtain facilities.

A requirement, therefore, that BA-ME, in all cases, confirm the availability of facilities *before* scheduling an installation date is unnecessarily burdensome and counterproductive to the timely provision of service. Having to confirm the availability of facilities in all cases even though facility shortages are service-affecting in less than one case in a hundred will delay needlessly the scheduling interval for *all* service installations. Confirming facilities in all cases prior to scheduling a due date may decrease the small number of re-scheduled appointments attributable to no facilities, but it will push out needlessly the delivery date for even the most routine service requests.

To address the Commission's underlying concern, however, BA-ME will focus its attention on the service requests most likely to raise an issue with respect to facility availability. For all new service requests where customers cannot supply the previous telephone number for the premises, or where the premises to be served are new construction and the customer cannot provide a recognizable "nearby" telephone number (*i.e.*, the telephone number for a neighbor next door or nearby), and for all requests for business service greater than 6 lines, BA-ME will commit to confirming the availability of facilities *prior* to scheduling an installation due date. By concentrating its efforts on these limited service requests, BA-

ME can both reduce the number of facility-related missed appointments while permitting the overwhelming majority of all other service requests to proceed unimpaired through the standard, five day objective installation interval. Of course, in any case where BA-ME discovers a facilities problem *prior* to the due date, BA-ME commits to contact the customer in advance of the due date and negotiate a new appointment.

D. Timely Response to Network Anomalies

The Commission's concern in this area pertains to BA-ME's ability to closely monitor network performance and to effect necessary repairs expeditiously. The Commission cites BA-ME's shortcomings involving network congestion in the beginning of this year, as well as a recent, isolated outside plant distribution problem which intermittently affected telephone service to residents of the Town of Carthage.

BA-ME's September 20, 1999 Service Report, filed in connection with Docket No. 99-132, describes the many steps BA-ME has undertaken to alleviate and forestall network congestion attributable to Internet traffic. Besides several BA-ME initiatives designed to improve the monitoring and surveillance of the network, an important aspect of the Service Plan described in that proceeding is the creation of a new staff position in BA-ME whose primary responsibility is to provide operations oversight of the network *only* in Maine. As stated earlier, the new position will serve as *ombudsman* both to the Commission and to BA-ME management on service results, service problems and most important, service solutions.

To assure the Commission of BA-ME's commitment to network performance in Maine, BA-ME will conduct bi-monthly service briefings with the Commission and its Staff to cover all aspects of service quality, including network performance (switching and umbilicals) and service installation activity and repairs. These briefings would also review, if desired, pending and completed construction activity, as well as BA-ME's plans for the deployment of new services and facilities. The briefings would be conducted and attended by the State President along with the new operations oversight manager (Mr. Richard Powell), BA-ME's Director of Capital Construction (Mr. David Magnant) and the Area Operations manager for Maine (Mr. Len Proulx). These individuals are personally knowledgeable of the performance of the network in Maine, are based in Maine, and will remain in Maine after the merger.

The ongoing dialogue between BA-ME and the Commission as a consequence of these briefings will provide the Commission with a fully up-to-date assessment of BA-ME's performance in service

quality, as well as the most current developments which might affect the future quality of service. BA-ME will commit to continue these briefings after the merger for as long as the Commission determines useful.

E. Elimination of Incorrect Services Attributable to Errors in Mechanized Service Order Processing Systems

During the work force realignment last summer, one of the contributing causes to delays both in scheduling and in meeting installation and repair appointments was the need for interim, manual exceptions to BA-ME's fully mechanized systems for work order flow-through. The realignment of the technical work force coupled with a geographic change in the location of certain dispatch centers created the need for changes in the way service orders flow through BA-ME's mechanized Operations Supports Systems (OSSs). Not all changes were captured timely in the automated systems, creating a limited need for manual "fixes," which unfortunately introduced the opportunity for human errors. These implementation irregularities were one of the reasons the restructuring decision was reversed and the procedures returned to BA-ME's prior practices. Service orders once again flow through BA-ME's mechanized systems in most cases without incident.

Other than this incident related to last summer's work force realignment, BA-ME is not aware of "incorrect services, installations or repairs" attributable to BA-ME's mechanized Operations Support Systems. To the contrary, the OSSs permit the timely and accurate flow-through of service orders from intake to provisioning. BA-ME works continuously to improve these systems as they are the primary tool for delivering dependable and low cost telephone service. Continued improvements and additional investments in such systems will continue after the merger.

F. Commission's Access to BA-ME Personnel to Explain Service Performance And to Effect Necessary Changes

As discussed under Point D, *supra*, in addition to BA-ME's State President there are three key individuals in BA-ME's Maine-based management team uniquely qualified to discuss network performance in Maine: BA-ME's Director-Capital Construction; Area Operations manager and; the new staff position responsible for operations oversight.

The operations oversight manager will be the principal point of contact for any and all service issues raised by the Commission. The manager will be based in Portland and, together with the State

President and appropriate Maine-based Regulatory and Operations personnel, will be available on short notice to the Commission to explain “up-to-the-minute” performance results in Maine. In addition, the operations oversight manager, BA-ME’s Director of Construction, Area Operations Manager and State President have, and will continue to have *post-merger*, full requisite authority to implement any and all changes necessary to remediate service issues quickly as they may arise.

Relevant information regarding the performance of the network will be shared routinely with the Commission as part of the bi-monthly briefings on service. As discussed above, such briefings will include a presentation on the status of construction and the deployment of new services. The Commission will thus be fully and timely apprised of the current status of the network.

G. Switches, Line Units, Switch Module Links, Umbilicals and Trunks Will Not be Overloaded

BA-ME incorporates here by reference the description of its efforts to alleviate network congestion contained in its September 20 Service Report in Docket No. 99-132. The steps outlined by BA-ME in that Report will ensure that the network will not become unnecessarily congested.

POINT 2 NOTWITHSTANDING ITS PAST SHORTCOMINGS, BA-ME HAS NEITHER IGNORED SERVICE QUALITY NOR NEGLECTED INVESTING IN THE NETWORK

BA-ME does not deny that maintaining past, achieved levels of telephone service quality has become increasingly more challenging in today’s telecommunications environment. It should be evident, however, that, fairly viewed, BA-ME’s service commitment overall to Maine has been exemplary, and that sporadic poor performance of late is attributable to a dramatic transformation underway in the structure, provisioning, use and application of the public switched network and *does not* signal a change in Bell Atlantic management priorities pertaining to service brought about by merger. The explosion of network usage attributable to the growing popularity of the Internet, the demand for new and faster data applications and technologies, greater insistence on network reliability and survivability, the introduction of competition and the forced accommodation of wholesale lines of business have all placed unprecedented demands on the network and upon BA-ME’s resources.

BA-ME does not put forward the rapid pace of structural, technological, and economic change in telecommunications as justification for poor service performance. Nor is it unreasonable for the Commission to expect BA-ME to maintain the preeminence of the public switched network in Maine notwithstanding these challenges. BA-ME does not shrink from its responsibility to maintain a high standard of service quality for the public switched network under any and all conditions. However, given the rapid structural and technological changes of the last three years it is plainly wrong to attribute periodic and intermittent shortcomings in service quality to a perceived trend in management indifference occasioned by a merger.

Commission concerns over service quality and investment in infrastructure in an era of explosive industry restructuring are not new. These concerns were a central focus of the Alternative Form of Regulation for BA-ME, which the Commission resolved in 1995 by instituting a Service Quality Index as part of the AFOR to measure, grade and enforce historical, achieved levels of acceptable service performance. Where BA-ME's performance falls short of the SQI baselines, BA-ME is exposed to financial penalties totaling \$11 million and must publicly acknowledge its shortcomings in writing to the marketplace. The SQI thus imposes powerful external inducements upon BA-ME to maintain service quality and investment levels (*viz.*, avoiding financial penalties and the adverse publicity of sub-par performance) and the SQI remains in effect today.

The continued investment by BA-ME in the public switched network also surfaced as an issue during the Commission's review of NYNEX's plans to merge with Bell Atlantic back in 1996. In reviewing and subsequently approving the proposed Bell Atlantic/NYNEX merger, the Commission observed:

"We are concerned . . . about possible deterioration of the reliability, survivability, and quality of the services offered by NYNEX after the merger.

....

During the first year that the AFOR was in effect, NYNEX's service quality dropped below the SQI baseline in three of the eleven measurement areas currently in place. We are concerned that this decline in service levels may continue, perhaps aggravated by Maine's proportionately smaller share of the larger merged company. We are also concerned that Maine's relatively superior infrastructure and service quality may lead Bell Atlantic to concentrate its investment in other areas."³

³ New England Telephone and Telegraph Company and NYNEX Corporation, Proposed Joint Petition for Reorganization Intended to Effect the Merger with Bell Atlantic Corporation, Docket No. 96-388, Order (Part II), issued February 6, 1997, at pp. 19-20.

Opponents of the Bell Atlantic /NYNEX merger had questioned whether BA-ME's *post-merger* management would fulfill its obligation to maintain and improve the survivability and reliability of the public switched network by continuing to fund Maine's capital construction program.

Subsequent history, however, has proven the Commission's concerns over possible management indifference or inadequate capital funding attributable to the merger to be without merit. In the three years subsequent to the NYNEX/Bell Atlantic merger, the fears of neglect of the public switched network have not come to pass. Subsequent to approval of the merger in 1997, BA-ME has:

- invested nearly \$300 million in network improvements and rehabilitation in Maine;
- completed a total of forty three SONET rings in the network, at a total cost of approximately \$100 million, stretching some 280 miles from Aroostook to York counties, ensuring the reliability and survivability of BA-ME's service to all of its customers in Maine;
- supported the conversion of all of its switches in Maine to digital technology – one of the first states in the nation to achieve this distinction;
- engineered and constructed a state-of-the-art ATM network –the first such *statewide* network in the nation –providing distance learning opportunities for Maine colleges and nearly two dozen secondary schools across the state. Maine's eight ATM switches and associated broadband transport also supports breakthrough advances in telemedicine and enhanced data applications capable of attracting and retaining key business expansion in Maine. In the former NYNEX service territory (*i.e.*, the five New England states plus New York and Connecticut), nearly 40% of the total capital devoted by Bell Atlantic to ATM switching technology is invested in Maine;
- connected more than 1100 K-8 and secondary schools and public libraries to a Frame Relay data network for supporting high speed access to information services;
- placed nearly 100,000 miles of fiberoptics in Maine;⁴
- committed to investing nearly \$10 million this year and next to initially deploy fourteen central offices with Asynchronous Digital Subscriber Line (ADSL) technology;
- performed admirably during the Ice Storms of 1998. Unlike the widespread damage to the power network, less than 1.5% of BA-ME's total access lines were adversely impacted by the storm. Nonetheless, BA-ME's employees participated selflessly in the recovery effort, setting more than 1100 new poles statewide, more than half of which were placed in other utilities' service territory;
- consistently maintained its employment in Maine at levels equal to or in excess of its pre-merger staffing levels.

⁴ Nearly 98% of BA-ME's interoffice facilities are provisioned with fiberoptics.

All of the foregoing accomplishments have been achieved by BA-ME at a time when it has simultaneously returned to ratepayers more than \$30 million in decreased revenues through rate reductions. Clearly BA-ME has done more with less in maintaining and improving Maine's telecommunications infrastructure and has achieved enviable success.

The Commission need not rely on BA-ME's self-assessment of its accomplishments. Linked to the State Administration's homepage on the Web⁵ is an assessment by Maine & Company, a non-profit corporation funded in part by the Legislature to attract and expand Maine's economic infrastructure, in which Maine & Company concludes: "Due to Bell Atlantic's ongoing efforts, Maine has developed the most advanced telecommunications infrastructure in the United States."⁶ Maine & Company estimates that more than 18,500 jobs in Maine (over 23,000 in seasonal peaks) are telecommunications-dependent and that telecommunications infrastructure is therefore key to retaining and expanding business development.⁷

On balance then, a fair assessment of the record BA-ME has achieved since approval of the merger in 1997 does not support the inference —then or now— that a change in management occasioned by corporate merger would contribute to a decline in telephone service or investment. The Commission's apprehension, therefore, of a deterioration in the public switched network linked to a decline in Maine's size relative to the merged enterprise is simply not true. There are, admittedly, isolated instances where BA-ME's performance needs to be improved, but such problems have been identified and corrective measures are in place. There is no basis to infer a persistent or systemic downwards trend in BA-ME's service quality or investment occasioned by the merger.

CONCLUSION

Fairly assessed, BA-ME brings a high level of service quality and commitment to the public switched network in Maine. BA-ME does not deny episodic service-related incidents in the past, nor the

⁵ <<http://www.Janus.state.me.us>>.

⁶ <<http://www.maineco.org/whymaineworksc.htm>>.

⁷ A recent article in an industry trade publication features Maine as a premier location in which to establish telecommunications call centers. The article cites "topnotch telecommunications infrastructure" in Maine, along with a dedicated workforce and flexible government programs as key expedients to profitable call center growth. (See, Maine: Out of the Woods And Into the Call Center, Call Center Solutions™ Vol.17/No. 8, dated February 1999.

need to do better in certain categories of service going forward. BA-ME has taken numerous steps to fill these gaps and believes that its plan going forward will ensure Maine's service quality *post*-merger.

Service quality concerns experienced in Maine in the recent past do not reflect a change in management's attention or priorities regarding service or investment. Rather, a rapid pace of technological, structural and economic change in the telecommunications industry has introduced tremendous emphasis on improved performance of the network and created broader needs for new and enhanced data applications. In certain instances this upheaval has contributed to intermittent deficiencies in BA-ME's service delivery. These problems have been identified and remedial measures are ongoing.

Bell Atlantic's commitment to service and to the Maine network was not affected adversely by the merger of Bell Atlantic and NYNEX in 1997 and likewise will not be impacted negatively by Bell Atlantic's acquisition of GTE. With the assurances described herein, the Bell Atlantic/GTE merger thus satisfies the public interest and ought to be approved swiftly by the Commission.

Respectfully submitted,

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